

School Education Funding:

Each year school districts prepare their budgets for the fiscal year that begins on July 1 based on anticipated funding from the State. As the State fiscal year begins on October 1, there are still opportunities for per pupil funding to increase or decrease. When there is a decrease in per pupil funding, that decrease takes place with the first payment districts receive in October. However, districts may not have an opportunity to decrease their expenditures by the same amount at the same time. Reductions in per pupil funding and declining enrollment make it difficult for school districts to operate in a financially effective manner.

The State took over the Detroit Public School District in 1999 and I started with the District in 2003 when it was under the reform board as the Chief of Internal Audit. Under the reform board, while there was a board in place, the Chief Executive Officer had the majority of the decision making authority. The residents of the City of Detroit voted to go back to an elected board in 2005. As of June 30, 2005, the District was required by law to submit a deficit elimination plan to the State as its expenditures exceeded its revenue for that fiscal year. With the continued decline in enrollment, this deficit has grown since 2005.

From 2005 – 2007, I worked at the District as the Executive Director of Accounting at the Detroit Public School District. In that role, I saw first hand the effects of declining enrollment, changes in per pupil funding. Additionally, the complexities of collective bargaining agreements made it difficult to reduce the District's largest expenditures – payroll and benefits. Additionally, it was necessary to recommend the closure of a significant number of schools.

Under the existing model of continuing to reduce expenditures as revenue decreases, Detroit Public Schools as well as other districts with declining enrollment will continue to suffer and class sizes for students will continue to increase.

I do not think that increased class sizes benefit students. It is difficult for the teacher and difficult for students. Those that are excelling at school can be lost and bored in the education process and those that are weak may not get the assistance they need to learn more and keep up with the class.

I agree that Detroit Public Schools needs to be held accountable along with every other district in the state in managing its expenditures and providing quality education with the resources that it is provided, however the current funding model could use some improvement as students are directly and potentially negatively impacted by these continued cuts.

Respectfully submitted,

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